

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,
et al.,

Debtors.¹

PROMESA

Title III

Case No. 17 BK 3283-LTS

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO PUBLIC BUILDINGS
AUTHORITY,

Debtors.

PROMESA

Title III

Case No. 19 BK 5523-LTS

(Jointly Administered)

**URGENT MOTION FOR CONSENSUAL EXTENSION OF
OBJECTION DEADLINE IN CONNECTION WITH THE MOTION OF
PUBLIC BUILDINGS AUTHORITY PURSUANT TO BANKRUPTCY
CODE SECTION 105, PROMESA SECTION 315(a), AND BANKRUPTCY
RULE 9019 FOR ORDER APPROVING SETTLEMENT AGREEMENT
WITH TRIPLE-S PROPIEDAD, INC., AND GRANTING RELATED RELIEF**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico ("Commonwealth") (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

To the Honorable United States District Judge Laura Taylor Swain:

The PSA Creditors² hereby submit this urgent motion for an order extending the objection deadline related to the PBA's motion filed by and through the Financial Management and Oversight Board (the "Oversight Board"), pursuant to Bankruptcy Code³ section 105, PROMESA section 315(a), and Bankruptcy Rule 9019, requesting entry of an order approving the Settlement Agreement with Triple-S Propiedad, Inc. ("TSP") (ECF No. 113, Case No. 19-BK-5523; ECF No. 16246, Case No. 17-BK-3283) (the "Motion"). The Oversight Board consents to the extension sought herein. In support of the request, the PSA Creditors respectfully submit:

1. On March 29, 2021, the Oversight Board filed the Motion, requesting entry of an order, providing for, among other things: (i) approval of the Settlement Agreement by and between PBA, FOMB, and Triple-S Propiedad, Inc.; (ii) payment of \$46,481,937.00 to PBA by TSP in full and complete satisfaction of TSP's obligations under the Policies within twenty (20) days of entry of a final, non-appealable order granting the Motion and approving the Settlement Agreement; (iii) that no creditor of PBA or other party served with notice of and/or with the Motion shall have any

² The PSA Creditors include the Ad Hoc Group of Constitutional Debtholders (the "Constitutional Debt Group"), Ad Hoc Group of General Obligation Bondholders (the "GO Group"), Lawful Constitutional Debt Coalition (the "LCDC"), and QTCB Noteholder Group (the "QTCB Group"). The members of the Constitutional Debt Group and their respective holdings are set forth in the *Ninth Supplemental Verified Statement of the Ad Hoc Group of Constitutional Debtholders Pursuant to Federal Rule of Bankruptcy Procedure 2019* (ECF No. 15993, Case No. 17-BK-3283). The members of the GO Group and their respective holdings are set forth in the *Tenth Supplemental Verified Statement of the Ad Hoc Group of General Obligation Bondholders Pursuant to Bankruptcy Rule 2019* (ECF No. 16034, Case No. 17-BK-3283). The members of the LCDC and their respective holdings are set forth in the *Tenth Supplemental Verified Statement of the Lawful Constitutional Debt Coalition Pursuant to Federal Rule of Bankruptcy Procedure 2019* (ECF No. 15892, Case No. 17-BK-3283). The members of the QTCB Group and their respective holdings are set forth in the *Eighth Supplemental Verified Statement of the QTCB Noteholder Group Pursuant Bankruptcy Rule 2019* (ECF No. 15968, Case No. 17-BK-3283). The PSA Creditors are parties to that certain plan support agreement, dated February 22, 2021 (the "2021 PSA"), with the Financial Oversight and Management Board for Puerto Rico (the "Oversight Board"), as representative, among others, of the Commonwealth of Puerto Rico (the "Commonwealth") and the Puerto Rico Public Buildings Authority (the "PBA") in their respective Title III cases.

³ Capitalized terms not defined herein shall have the meanings ascribed to them in the Motion.

liens, encumbrances, priorities, or other claims against TSP or under the Policies or for any portion of the \$82,000,000 Settlement Amount; and (iv) no third party served with notice of and/or with the Motion shall be permitted to interfere with the transfer of the Settlement Payment to PBA or PBA's use of the Settlement Amount.

2. The 2021 PSA and the *Second Amended Title III Joint Plan of Adjustment of the Commonwealth of Puerto Rico, et al.* (ECF No. 15976, Case No. 17-BK-3283) (the "Plan") embody a settlement of the PSA Creditors' claims against the Commonwealth and PBA on account of their respective General Obligation ("GO") and PBA bond holdings. The PSA Creditors and the Oversight Board are engaged in discussions regarding the preservation of the PSA Creditors' rights and claims in their capacity as PBA and GO bondholders until entry of a Confirmation Order consistent with the 2021 PSA.

3. The Parties continue to make progress on a consensual resolution, and therefore the PSA Creditors have received the Oversight Board's consent to extend the objection deadline to the Motion until **April 15, 2021 at 4:00 p.m. (AST)** to allow these discussions to continue.

RELIEF REQUESTED

4. Counsel for all parties consent to an additional extension of the objection deadline. Accordingly, the PSA Creditors respectfully request that the Court enter an order, substantially in the form attached hereto as **Exhibit A** (the "Proposed Order"), extending the Objection Deadline for the PSA Creditors, to **April 15, 2021 at 4:00 p.m. (AST)**.

CONCLUSION

5. For the foregoing reasons, the PSA Creditors respectfully request that the Court (i) grant the Motion, and (ii) extend the PSA Creditor's objection deadline to April 15, 2021 at 4:00 p.m. AST.

**Certification of Compliance with
Local Rule 9013-1 and the Thirteenth Amended Case Management Procedures**

6. Pursuant to Local Rule 9013-1 and ¶ I.H of the Case Management Procedures, the PSA Creditors hereby certify that they have (a) carefully examined the matter; (b) not created the urgency through any lack of due diligence; and (c) made a *bona fide* effort to resolve the matter.

Dated: April 14, 2021

[Remainder of page intentionally left blank.]

Respectfully submitted,

MORGAN, LEWIS & BOCKIUS LLP

/s/ Kurt A. Mayr

Kurt A. Mayr (admitted *pro hac vice*)
David L. Lawton (admitted *pro hac vice*)
Shannon B. Wolf (admitted *pro hac vice*)
One State Street
Hartford, CT 06103-3178
Tel. (860) 240-2700
Fax: (860) 240-2701
kurt.mayr@morganlewis.com
david.lawton@morganlewis.com
shannon.wolf@morganlewis.com

Sabin Willett (admitted *pro hac vice*)
One Federal Street
Boston, MA 02110-1726
Tel: (617) 951-8775
sabin.willett@morganlewis.com

**CORREA-ACEVEDO & ABESADA LAW
OFFICES, PSC**

/s/ Sergio Criado

Sergio Criado
USDC-PR No. 226307
Roberto Abesada-Agüet
USDC-PR No. 216706
Centro Internacional de Mercadeo, Torre II
90 Carr. 165, Suite 407
Guaynabo, P.R. 00968
Tel. (787) 273-8300
Fax (787) 273-8379
ra@calopsc.com
scriado@calopsc.com

Co-Counsel for the QTCB Noteholder Group

G. CARLO-ALTIERI LAW OFFICES, LLC

By: /s/ Gerardo A. Carlo

Gerardo A. Carlo

USDC PR No. 112009

254 San Jose St., Third Floor

San Juan, Puerto Rico 00901

Telephone: (787) 247-6680

Facsimile: (787) 919-0527

gacarlo@carlo-altierilaw.com

MORRISON & FOERSTER LLP

By: /s/ Gary S. Lee

James M. Peck (admitted *pro hac vice*)

Gary S. Lee (admitted *pro hac vice*)

Theresa A. Foudy (admitted *pro hac vice*)

Andrew R. Kissner (admitted *pro hac vice*)

250 West 55th Street

New York, New York 10019

Telephone: (212) 468-8000

Facsimile: (212) 468-7900

jpeck@mofo.com

glee@mofo.com

tfoudy@mofo.com

akissner@mofo.com

Counsel for the Ad Hoc Group of Constitutional Debtholders

JIMÉNEZ, GRAFFAM & LAUSELL

/s/ Ramón Rivera Morales

J. Ramón Rivera Morales
USDC-PR Bar No. 200701
Andrés F. Picó Ramírez
USDC-PR Bar No. 302114
P.O. Box 366104
San Juan, PR 00936
Telephone: (787) 767-1030
Facsimile: (787) 751-4068
Email: rrivera@jgl.com

WILLKIE FARR & GALLAGHER LLP

/s/ Mark T. Stancil

Mark T. Stancil (admitted *pro hac vice*)
1875 K Street, N.W.
Washington, DC 20006
Telephone: (202) 303-1133
Facsimile: (202) 303-2133
Email: mstancil@willkie.com

**PAUL, WEISS, RIFKIND, WHARTON
& GARRISON LLP**

/s/ Andrew N. Rosenberg

Andrew N. Rosenberg (admitted *pro hac vice*)
Karen R. Zeituni (admitted *pro hac vice*)
1285 Avenue of the Americas
New York, NY 10019
Telephone: (212) 373-3000
Email: arosenberg@paulweiss.com

**ROBBINS, RUSSELL, ENGLERT, ORSECK,
UNTEREINER & SAUBER LLP**

/s/ Lawrence S. Robbins

Lawrence S. Robbins (admitted *pro hac vice*)
Gary A. Orseck (admitted *pro hac vice*)
Donald Burke (admitted *pro hac vice*)
2000 K Street, N.W., 4th Floor
Washington, DC 20006
Telephone: (202) 775-4500
Facsimile: (202) 775-4510
Email: lrobbins@robbinsrussell.com

Co-Counsel for the Ad Hoc Group of General Obligation Bondholders

REICHARD & ESCALERA

By : /s/ Rafael Escalera
Rafael Escalera
USDC No. 122609
escalera@reichardescalera.com

Sylvia M. Arizmendi
USDC-PR 210714
arizmendis@reichardescalera.com

Carlos R. Rivera-Ortiz
USDC-PR 303409
riverac@reichardescalera.com

255 Ponce de León Avenue
MCS Plaza, 10th Floor
San Juan, Puerto Rico 00917-1913

**QUINN EMANUEL URQUHART & SULLIVAN,
LLP**

Susheel Kirpalani (*pro hac vice*)
susheelkirpalani@quinnemanuel.com

Daniel Salinas
USDC-PR 224006
danielsalinas@quinnemanuel.com

Eric Kay (*pro hac vice*)
erickay@quinnemanuel.com

Zachary Russell (*pro hac vice*)
zacharyrussell@quinnemanuel.com

51 Madison Avenue, 22nd Floor
New York, New York 10010-1603

CERTIFICATE OF SERVICE

I hereby certify that on this same date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to counsel for the parties of record.

/s/ Sergio Criado

USDC-PR No. 226307

EXHIBIT A

Proposed Order

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,
et al.,

Debtors.¹

PROMESA

Title III

Case No. 17 BK 3283-LTS

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO PUBLIC BUILDINGS
AUTHORITY,

Debtors.

PROMESA

Title III

Case No. 19 BK 5523-LTS

(Jointly Administered)

**[PROPOSED] ORDER GRANTING URGENT MOTION FOR CONSENSUAL
EXTENSION OF OBJECTION DEADLINE IN CONNECTION WITH THE MOTION
OF PUBLIC BUILDINGS AUTHORITY PURSUANT TO BANKRUPTCY
CODE SECTION 105, PROMESA SECTION 315(a), AND BANKRUPTCY
RULE 9019 FOR ORDER APPROVING SETTLEMENT AGREEMENT
WITH TRIPLE-S PROPIEDAD, INC., AND GRANTING RELATED RELIEF**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico ("Commonwealth") (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Upon the *Urgent Motion for Consensual Extension of Objection Deadline in Connection with the Motion of the Public Buildings Authority Pursuant to Bankruptcy Code Section 105, PROMESA Section 315(a), and Bankruptcy Rule 9019 for Order Approving Settlement Agreement with Triple-S Propiedad, Inc., and Granting Related Relief* (the “Urgent Motion”);² and the Court having found it has subject-matter jurisdiction over this matter pursuant to PROMESA section 306(a); and it appearing that venue in this district is proper pursuant to PROMESA section 307(a); and the Court having found that the Debtor provided adequate and appropriate notice of the Urgent Motion under the circumstances and that no other or further notice is required; and upon the record herein, after due deliberation thereon, the Court having found that good and sufficient cause exists for the granting of the relief as set forth herein:

1. The Urgent Motion is **GRANTED** as set forth herein.
2. The PSA Creditors shall file any objection to the Motion by **April 15, 2021 at 4:00 p.m. (AST)**.
3. All other deadlines concerning the Motion remain unchanged.
4. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Dated: _____, 2021.

SO ORDERED:

HONORABLE LAURA TAYLOR SWAIN
United States District Judge

² Capitalized terms not defined herein shall have the meanings ascribed to them in the Urgent Motion.